

# Help to Buy 3 Year Discount

You should read this document carefully in conjunction with our Mortgages explained booklet to ensure you understand what you are buying and keep it safe for future reference.

<b>Maximum loan to value</b> (see note 5 - overleaf)	<b>75%</b>
<b>Min deposit from applicant as a % of the value of the property</b>	<b>5%</b>
<b>Initial interest rate</b>	<b>1.84% variable</b>
<b>Offer</b>	Our Standard Variable Rate (SVR) with a 2.26% discount for the first 3 years, changing to our SVR for the remainder of the mortgage. <b>Maximum property value of up to £600,000 applies, dependent on region (see <a href="http://www.ownyourhome.gov.uk">www.ownyourhome.gov.uk</a> for more details)</b>
<b>Incentives</b> (see note 3)	<ul style="list-style-type: none"> <li>• Free valuation</li> <li>• Overpayments allowed</li> </ul>
<b>Loan size</b>	£50,000 (Min) - £450,000 (Max) £40,000 (Min) for existing borrowers transferring onto the product
<b>Is an Early Repayment Charge (ERC) payable?</b>	<ul style="list-style-type: none"> <li>• The Early Repayment Charge (ERC) period applies from the date of completion.</li> <li>• For this product the ERC period is 3 years from the date of completion.</li> <li>• ERC is 3% in year 1, 2% in year 2 and 1% in year 3 of the original loan amount (or the balance outstanding on the date an existing mortgage is transferred to this product).</li> <li>• During the ERC period you are permitted to make overpayments up to 20% of the original loan amount per year (or the balance outstanding on the date an existing mortgage is transferred to this product). If overpayments exceed 20% in a year during the ERC period, you will have to pay the relevant ERC percentage rate on the amount of overpayment exceeding the permitted level.</li> <li>• The full ERC is payable on the original loan amount (or the balance outstanding on the date an existing mortgage is transferred to this product) if you repay your mortgage in full during the ERC period. The ERC will also be levied on previously permitted overpayments.</li> </ul>
<b>Fees</b> (see note 6)	Application Fee: £600 (purchase) or £850 (remortgage) £0 (existing borrower product transfer) Mortgage Exit Administration Fee (MEAF): £100
<b>Standard mortgage valuation fee</b> (see note 3)	Newbury Building Society will pay for one standard mortgage valuation.
<b>Representative example</b>	<p>A mortgage of £310,000 payable over 23 years initially on our standard variable rate, currently 4.10% with a discount of 2.26% for 36 months giving a current rate payable of 1.84% and then on our standard variable rate, currently 4.10% for the remaining 20 years would require 36 monthly payments of £1,382.20 and 240 monthly payments of £1,695.40 plus one initial interest payment of £329.08.</p> <p>The total amount payable would be £457,084.28 made up of the loan amount plus interest of £146,134.28 an application fee of £850 and a MEAF of £100.</p> <p><b>The overall cost for comparison is 3.6% APRC representative.</b></p>

**YOUR MORTGAGE IS SECURED ON YOUR HOME. THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME. YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE**

Call **01635 555700**  
Visit **[newbury.co.uk/mortgages](http://newbury.co.uk/mortgages)**

# Mortgage product guide notes

## 1. Availability

Properties must be located in England or Wales. All properties in the following London postcodes are restricted to 60% loan to value: E, EC, N, NW, SE, SW, W, WC. Flats in the following London postcodes are restricted to 60% loan to value CR, EN, HA, IG, KT, RM, SM, TW, UB.

Products are available to those purchasing or remortgaging their residential home, through the Help to Buy scheme, subject to product terms.

Also available for existing borrowers to transfer their existing mortgage into, subject to payment of any early repayment charges that apply on their current mortgage and for existing borrowers moving house.

The mortgage term must be between 5 and 35 years. The mortgage must be on a capital and interest repayment basis. Minimum property value of £125,000.

## 2. Legal costs

Legal work is required when buying your home. The legal work is carried out by a solicitor and is payable by you. We can use the same solicitors as you, providing there is a minimum of four Approved Managers/Licence Holders and they are registered on The Law Society website ([www.lawsociety.org.uk](http://www.lawsociety.org.uk)).

Licensed conveyancers are also acceptable for residential business only. The conveyancer must be registered with the Council of Licensed Conveyancers and be in a firm with at least four Approved Managers/Licence Holders

## 3. Incentives

We will carry out a standard mortgage valuation at our cost, providing the mortgage completes. If the mortgage does not complete and the valuation has been carried out, you are responsible for paying it.

You can upgrade to a Home Buyers report if you wish and if you would prefer a full building survey, we can give you the names of some local surveyors who can organise this for you (see our Mortgages explained booklet for valuation and home buyer fees).

If an existing borrower who is not moving house would like a revaluation carried out to assess which LTV tier they qualify for they will be required to pay a revaluation fee.

## 4. Qualification

You need to be accepted by a local Help to Buy agent for the Help to Buy scheme.

## 5. Maximum loan to value

Loan to Value (LTV) is the proportion of the value or price of the property (whichever is the lower) that you borrow on a mortgage. For example, a £150,000 mortgage on a house valued at £200,000 would mean a LTV of 75%.

All mortgages must be on a capital and interest repayment basis.

For existing borrowers transferring onto this product the LTV will be calculated on the current loan outstanding and the indexed valuation held on our records. If the borrower feels the indexed valuation is inaccurate it can be reviewed by contacting our Customer Services department.

## 6. Fees

Application fees can be added to the mortgage and are refundable if the mortgage does not take place. If you add the application fee to your mortgage, this increases the amount you borrow and will also increase your monthly payments.

A Mortgage Exit Administration Fee (MEAF) applies when you repay your mortgage. Please see our Tariff of charges leaflet and your European Standardised Information Sheet (ESIS) for details.

## 7. Timescales

House purchases must complete within three months of the date of the formal mortgage offer. Remortgages must complete within three months from the date the application is received.

For new build properties the mortgage offer is valid for up to 6 months. The application must be able to complete in the product time scales. Therefore, the new build property must be completed and available for occupation within 6 months of the mortgage offer.

Where existing borrowers transferring their existing mortgage are not in an early payment charge period, the transfer must take place within two weeks of the mortgage offer.

## 8. Portability

All our mortgages are portable, which means that if you move house within an early repayment charge period the product can be transferred to your new mortgage, up to the value of the product outstanding at redemption, without charge. If the loan amount on your new mortgage is lower, there may be a charge based on the difference between the old and the new loan amount. A higher lending charge may be applicable for the new mortgage.

## 9. Other charges

Charges applying to the ongoing administration of your mortgage are detailed in our Tariff of charges leaflet, which you will be given before your mortgage completes.

**WE HAVE NO CURRENT PLANS TO WITHDRAW THIS PRODUCT BUT IT MAY BE WITHDRAWN WITHOUT NOTICE**

Newbury Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number 206077). English Law applies and we will communicate with you in English. We are participants of the Financial Ombudsman Service. We have a complaints procedure which we will provide on request. Most complaints that we cannot resolve can be referred to the Financial Ombudsman Service.